

DeFazio has been a leading advocate for Oregon small businesses by securing appropriations earmarks, fighting unfair trade deals and rising energy costs, improving crumbling infrastructure, and pushing for adequate funding of the Small Business Administration.

Note: DeFazio's efforts to support small businesses by promoting infrastructure development, more rational forest and fishery management policies, fighting unfair trade deals, and restoring affordable energy costs are detailed in other chapters and are not repeated here.

In the 111th Congress:

In January of 2009, Congressman DeFazio wrote a letter with Joe Donnelly of Indiana to the SBA asking them to make an emergency rulemaking to allow SBA 7 (a) loans to be eligible for floor plan loans, which is essential for the RV industry to free up capital and be able to stock their showroom floors. We also asked them to expand the definition of small business in regards to their loans because as it is defined now, over 3/4ths of RV dealers do not qualify.

In April of 2009, Congressman DeFazio spearheaded a letter to the Obama Administration asking them to extend Small Business SBA 7 (a) loans to RV floor plan loans for business inventory. This was to help the ailing RV industry, which was hard hit from the recent economic downturn and has seen over 53% of the industry's workforce laid off in the last few years. Floor plan loans are essential for industries that deal with expensive inventories by allowing them to preserve capital and be able to adequately stock their showroom floors with high ticket items, some which can cost in the hundreds of thousands of dollars. By spurring the Obama Administration to act, Congressman DeFazio helped give dealers the ability to get financing to purchase inventory for their showroom floors.

In September of 2009 Congressman DeFazio cosponsored an amendment to HR 3246, the Advanced Vehicle Technology Act that would include RVs in the vehicle research and development program created by the bill. A comprehensive federal vehicle research and development program was critical at a time when the RV, automotive, commercial trucking

industries have limited resources for increasingly expensive research and development. The Amendment passed unanimously.

In November 2009, DeFazio voted for H.R. 3548, the Worker, Homeownership & Business Assistance Act, which extended unemployment benefits for Americans hit by the recession, expanded 1st-time homebuyer tax credit, and enhanced small business tax relief—expanded to all struggling U.S. businesses. The bill extended to five years the carryback period for net operating losses (NOL) incurred in 2008 or 2009.

DeFazio voted for H.R. 5297, the Small Business Jobs and Credit Act of 2010, to leverage billions in loans for small businesses through a lending fund for community banks and provide tax incentives to spur investment in small businesses and the formation of new small businesses.

DeFazio voted for H.R. 5019, the Home Star Energy Retrofit Act of 2010, to provide incentives for consumers to make their homes energy-efficient -- creating 168,000 jobs, cutting energy bills for 3 million families, and reducing our dangerous dependence on foreign oil and dirty fuels.

DeFazio voted for H.R. 5116 the America COMPETES Reauthorization Act of 2010, to invest in modernizing manufacturing; basic R&D; high risk/high reward clean energy research; and teaching science, technology, engineering and math.

DeFazio voted for Jobs For Main Street Act, to boost small business, rebuild highways, and hire and retain teachers, police, and firefighters; paid for by redirecting TARP funds from Wall Street to Main Street.

DeFazio voted for H.R.4849, the Small Business and Infrastructure Jobs Tax Act of 2010, to extend Build America Bonds; and target tax incentives to spur investment in small businesses and help entrepreneurs looking to start a new business.

Congressman DeFazio was an original cosponsor of the Lilly Ledbetter Fair Pay Act, which passed the House of Representatives in January of 2009 and was signed into law by President

Obama later that month. The bill restores the law as it was prior to the narrowly-decided (5-4) Supreme Court Ledbetter decision in 2007. That decision tossed aside longstanding prior law and made it much harder for women and other workers to pursue pay discrimination claims – stating a pay discrimination charge must be filed within 180 days of the employer's initial decision to pay an employee less.

Congressman DeFazio was an original cosponsor of the Paycheck Fairness Act (H.R. 12). The bill expands damages under the Equal Pay Act and amends its very broad fourth affirmative defense. In addition, the Paycheck Fairness Act calls for a study of data collected by the EEOC and proposes voluntary guidelines to show employers how to evaluate jobs with the goal of eliminating unfair disparities. The bill was passed by the House of Representatives on January 9, 2009.

In the 110th Congress, (2007-2008)

In February of 2008, DeFazio voted for H.R. 5140, which included tax benefits for small business investment in plants and equipment. The bill doubles the amount small businesses can immediately write off their taxes for capital investments made in 2008 from \$125,000 to \$250,000, for purchases of new equipment of up to \$800,000. The bill also provides for small businesses to invest in new plants and equipment by speeding up depreciation provisions, so that firms can write off an additional 50 percent for investments purchased in 2008.

On June 28, 2007, DeFazio offered an amendment to H.R. 2829, the fiscal year 2008 Financial Services Appropriations Bill to increase funding for Small Business Development Centers (SBDCs) by \$10 million. The funding was offset by a reduction in the Selective Service System. SBDCs play an important role in supporting the development and growth of small businesses all around the country. There are over 1,100 SBDC offices in all 50 states, DC, Puerto Rico, Guam, American Samoa, and the U.S. Virgin Islands. The SBDCs serve rural, suburban, and urban communities by providing up-to-date counseling, training and technical assistance in all aspects of small business management. SBDCs, which are a collaborative effort of the Small

Business Administration, state and local governments, the private sector, and the education community, serve more than 1.3 million small businesses and aspiring entrepreneurs a year. Every federal dollar invested in SBDCs yields \$2.82 in additional revenue to the U.S. Treasury. The DeFazio amendment was defeated 95-320.

□ On May 10, 2007, DeFazio voted in favor of H.R. 1873, the Small Business Fairness in Contracting Act. The bill was approved 409-13. H.R. 1873 makes several changes to federal contracting procedures to benefit small businesses. The bill will:

1. Increase the government-wide small business procurement goal to 30% from the current level of 23%;
2. Require each federal agency to submit to the Small Business Administration (SBA) and Congress a detailed plan for meeting this contracting goal;
3. Extend small business contracting goals to overseas contracts;
4. Limit the ability of federal agencies to bundle several small projects into a single contract too large for a small business to win;
5. Improve SBA outreach to ensure small businesses registered to do business with the federal government are notified about contracting opportunities;
6. Improve SBA oversight to ensure that larger companies are not qualifying as small businesses and taking away contracting opportunities for truly small businesses; and
7. Create a 5% procurement goal for the federal government to contract with environmentally friendly ("green") small businesses.

DeFazio voted in favor of H.R. 1361, the SBA Disaster Aid Overhaul, legislation that improves the SBA disaster assistance program in response to the SBA's disastrous performance after the 2005 Gulf Coast hurricanes. H.R. 1361 improves the SBA's disaster plan, speeds up the delivery of aid, and increases the maximum level of aid, among other provisions. The bill was approved on April 18, 2007 by a vote of 267-158.

On March 16, 2007, DeFazio again wrote to the House Appropriations Committee in support of adequate funding for the Manufacturing Extension Partnership, a program that helps small manufacturers and helps boost productivity, sales, investment in modernization, and employment. MEP is a federal-state partnership. The Oregon MEP is headquartered in Beaverton, but has offices in Eugene, Medford and Bend as well. Since 1996 more than 500 Oregon manufacturers, most with fewer than 500 employees, have benefited from OR MEP's expertise.

On May 3, 2007, DeFazio voted in favor of H.R. 1868, legislation creating the Technology Innovation Program to provide funds to small high-tech firms. The bill also reauthorizes the Manufacturing Extension Partnership, which stimulates investments in innovative technologies by small manufacturers. The bill was approved by the House by a vote of 385-23.

On April 25, 2007, DeFazio voted in favor of H.R. 1332, Small Business Lending Improvements Act, which provides small businesses with tools to encourage entrepreneurial innovation, including making 7(a) loans more economical. The bill was approved by a bipartisan vote of 380-45.

□□ DeFazio reintroduced legislation on March 13, 2007 to respond to record high gas prices. The bill, H.R. 1500, the Gasoline Price Stabilization Act would, among other things: Impose a windfall profits tax on oil companies to decrease the incentive to gouge consumers; urge the President to file a trade complaint with the WTO against OPEC for illegally colluding to raise oil prices, which violates global trade rules; put a moratorium on oil company mergers (the non-partisan General Accounting Office reported 2,600 mergers in the U.S. petroleum industry since the mid-1990s - by one measure, four companies control 74 percent of the gasoline market in Oregon); create a commission to investigate the impact mergers are having on prices and to make recommendations to restore competition in the petroleum industry; tax credits for consumers who purchase highly fuel efficient vehicles, and mandate increased fuel efficiency standards for cars and trucks (at least 37 miles per gallon after 2017, 40 mpg by 2022).

On May 23, 2007, DeFazio voted in favor of H.R. 1252, the Federal Price Gouging Prevention Act, legislation to prohibit price gouging for gasoline at the wholesale or retail level. DeFazio

was an original cosponsor of H.R. 1252. The bill was approved 284-141. Under the bill, the Federal Trade Commission (FTC) can seek civil penalties of up to three times the amount of profits or \$3 million for charging unconscionable prices, and up to \$1 million for providing false information to federal agencies. The bill prioritizes enforcement actions against large oil companies with annual sales of \$500 million or more. This legislation is necessary because currently, gouging is only illegal if there's collusion between two or more entities, which is notoriously hard to prove. This legislation was approved 284-141.

DeFazio is a cosponsor of H.R. 594, which would subject all oil trading to the same regulation as other commodities to ensure markets aren't manipulated by speculators trading oil behind closed doors.

□ DeFazio is a cosponsor of H.R. 2283, legislation to ban zone pricing of gasoline at the retail level. Zone pricing is the practice by which oil companies charge different wholesale prices for the same brand and grade of gasoline in multiple zones across the state, which can lead to large disparities in prices between neighborhoods and cities in the same area.

DeFazio is a cosponsor of H.R. 2694, bipartisan legislation requiring that vehicle manufacturers disclose to the vehicle owner or to a repair facility of the motor vehicle owner's choosing the information necessary to diagnose, service, or repair the vehicle. The legislation is intended to help independent auto service shops to more efficiently help consumers.

□ In September 2007 DeFazio voted against the Patent Reform Act of 2007. This bill would overhaul the current U.S. patent structure by replacing the current "first-to-invent" system with a "first-to-file" system. The change, intended to bring about greater clarity and universality to the patent system, would actually flood patent offices with hastily-filed, incomplete applications creating, what many opponents fear, a more serious litigation crisis than exists today. The proposed legislation would also expose patent holders to further harassment from their competitors by implementing a post-grant review process, and encourage large companies to infringe on patented intellectual property rights of smaller companies by limiting damages that can be collected by patent holders in infringement cases. The bill was passed by the House.

In the 109th Congress (2005-2006):

DeFazio voted against H.Con.Res. 95, the fiscal year 2006 budget resolution, in part because of concerns about inadequate funding for the Small Business Administration (SBA) and programs throughout the government that help small businesses. In the President's budget, which was largely reflected in H.Con.Res. 95, out of the 100 programs government-wide that offer small business assistance, such as access to affordable capital, entrepreneurial development and technical assistance, over 50, up from 35 last year, that were slated for severe cuts or elimination. The overall average cut for these programs is nearly 80 percent, up 10 percent from the 2004 budget, with 16 programs facing severe funding cuts and another 35 slated for termination. Agencies hit the hardest were Small Business Administration (SBA), with 14 programs; Department of Agriculture (USDA), with 12 programs; and Housing and Urban Development (HUD), with 8 programs. Final passage of H.Con.Res. 95 was 214-211 on April 28, 2005.

DeFazio is a cosponsor of H.R. 118, the Keeping Small Businesses Healthy Act. This legislation would: (1) provide employers with 25 or fewer employees (including the self-employed) with a 60% refundable tax credit on the employers' share of health insurance premiums (2) provide a 40% refundable credit for employers with 26-100 employees. Employers could only take advantage of the credit if they cover at least 65% of the premium cost and cover at 75% of employees.

On April 8, 2005, DeFazio wrote to the House Appropriations Committee in support of adequate funding for the Manufacturing Extension Partnership, a program that helps small manufacturers and helps boost productivity, sales, investment in modernization, and employment. MEP is a federal-state partnership. The Oregon MEP is headquartered in Beaverton, but has offices in Eugene, Medford and Bend as well. Since 1996 more than 500 Oregon manufacturers, most with fewer than 500 employees, have benefitted from OR MEP's expertise. DeFazio sent a similar letter urging adequate funding for the fiscal year 2007 cycle on March 16, 2006.

On September 19, 2006, DeFazio joined his colleagues in the House Manufacturing Task Force in sending a letter to House Appropriators in support of \$106 million in funding for the MEP in fiscal year 2006. The House passed version of H.R. 5672, the funding bill for the Department of Commerce, only included \$92 million, a cut of \$14 million below the 2006 level. The Senate has not acted on its version of H.R. 5672.

On September 25, 2006, DeFazio wrote to OMB Director Portman urging adequate funding for MEP in the budget the president will submit to Congress in February 2007.

□ On May 17, 2005, DeFazio joined several colleagues in writing to the House Appropriations Committee in support of increased funding for the SBA's Microloan program, both for lending capital and for providing technical assistance to businesses. The Microloan program is designed to reach small entrepreneurs who have little access to the other capital options available to start a business. DeFazio sent a similar letter to appropriators on April 18, 2006, in favor of \$2.2 million for the Microloan program (to support \$30 million in lending capital) and \$18 million in technical assistance for the program.

On June 6, 2005, DeFazio joined dozens of colleagues in writing to the House Appropriations Committee in support of adequate funding for the SBA's primary loan program, the 7(a) loan guarantee program.

DeFazio continued to work with Oregon small businesses to get appropriations earmarks for important products. For example, DeFazio worked again with Hydration Technologies, a company based in Albany, Oregon, that has developed water filtration technology that has military, homeland security, international development, and disaster response applications. DeFazio secured \$4.1 million for Hydration Technologies in H.R. 2528, the fiscal year 2006 Military Quality of Life Appropriations Act, for research and development of a product to help downed pilots. Most effective filtration systems are cumbersome and expensive. Hydration Technologies, Inc. has found a safe, easy and affordable way to produce consumable fluids from a contaminated water source. This technology will be invaluable to the U.S. military.

DeFazio continued to advocate on behalf of small Oregon companies who have had their intellectual property stolen by Chinese companies. DeFazio introduced bipartisan legislation, H.Con.Res. 303 urging the Bush administration to file a complaint at the WTO against China for its failure to uphold its obligations to protect intellectual property. The resolution also urges the administration to pursue unilateral options under U.S. trade law to impose penalties on Chinese goods in response to its intellectual property failures. And, DeFazio wrote to the Chairman of the House Committee on Small Business on September 8, 2005, urging the Committee to hold hearings on the impact of China's intellectual property theft on small businesses, including three in Southwest Oregon that have contacted Rep. DeFazio about their experiences. DeFazio also again wrote to President Bush on November 16, 2005 urging him to use his summit with Chinese President Hu Jintao to warn them that the U.S. planned to file a WTO complaint.

DeFazio is a cosponsor of H.R. 2073, the Small Business Health Insurance Promotion Act. This legislation does the following: Small businesses and self-employed individuals would receive a tax credit equal to 50 percent of the cost of health insurance coverage (the credit would be available for four years); the credit is available to all small employers (2-50

employees) and self-employed individuals who purchase coverage through qualified state or national health insurance purchasing pools; the state and national purchasing pools - based on the four most population plans under the Federal Employees Health Benefit Plan - would provide guaranteed, quality coverage at affordable rates without preempting state coverage requirements; the pooling arrangements would be available to all small employers and self-employed individuals - even those who do not use the tax credit.

Once again, DeFazio fought to protect timber and wood products industry jobs from unfair trade by Canada. On December 8, 2005, DeFazio wrote to USTR Portman and Commerce Secretary Gutierrez urging that the U.S. appeal a NAFTA panel ruling that resulted in the U.S. deciding to drastically lower tariffs on softwood lumber imports from Canada, despite large piles of evidence that timber from Canada is subsidized by the government and is sometimes sold below the cost of production into the U.S. market.

When the House considered H.R. 2863, the fiscal year 2006 Department of Defense Appropriations Act, DeFazio voted in favor of an amendment by House Small Business Committee Ranking Member Nydia Velazquez (D-NY) to increase contracting opportunities for small businesses with the Pentagon. The amendment would have allowed small businesses to receive at least \$4 billion more in contracts each year. Unfortunately, the amendment was defeated on June 20, 2005, by a vote of 180-235.

When the House considered H.R. 2862, the fiscal year 2006 spending bill that includes funding for the SBA, DeFazio voted in favor of an amendment by Rep. Velazquez (D-NY) to increase funding for the SBA's 7(a) loan program. Due to changes made to the program in 2004, the federal government's contribution to the 7(a) loan program was terminated. To compensate for this elimination of funding, the fees charges to small businesses and their local lenders were increased substantially. For smaller loans less than \$150,000, fees are doubled, which translates into nearly \$1,500 more in upfront closing costs for entrepreneurs. For a loan of \$700,000, this would raise the fees by approximately \$3,000. As a result of these higher costs, the program has been destabilized. Business owners are unable to afford the higher loan fees, community lenders are being driven out of the program, and the average amount of 7(a) loans has declined by more than \$10,000. With the program's cost rising each year, business owners are faced with the possibility of being locked out of the capital markets. The Velazquez amendment was approved on June 14, 2005, by a vote of 234-189.

□ Riding gas prices have been a significant burden for small businesses. DeFazio reintroduced legislation to respond to record high gas prices. The bill, H.R. 3544, the Gasoline Price Stabilization Act would, among other things: Impose a windfall profits tax on oil companies to

decrease the incentive to gouge consumers; authorize the President to stabilize oil and gas prices by imposing price caps or other mechanisms in response to market manipulation; urge the President to file a trade complaint with the WTO against OPEC for illegally colluding to raise oil prices, which violates global trade rules; put a moratorium on oil company mergers (the non-partisan General Accounting Office reported 2,600 mergers in the U.S. petroleum industry since the mid-1990s - by one measure, four companies control 74 percent of the gasoline market in Oregon); create a commission to investigate the impact mergers are having on prices and to make recommendations to restore competition in the petroleum industry; and mandate increased fuel efficiency standards for cars (at least 45 miles per gallon after 2014) and trucks (at least 34 mpg by 2014).

On gas prices, DeFazio is also a cosponsor of H.R. 3936, legislation to make it a federal crime to gouge consumers during emergencies. Such an anti-price gouging law is necessary because currently, gouging is only against the law if one company colludes with another to raise prices, which is notoriously hard to prove. If the companies acted independently of each other, there would be no crime. H.R. 3936 would close that loophole. And, he is a cosponsor of H.R. 3780. This legislation would end the price discrimination that takes place at the terminal facility (where gasoline is loaded on tanker trucks) and would require oil companies to disclose their wholesale pricing practices to the U.S. Department of Energy. This will help shed light on the various schemes that can influence the price we pay at the pump. And, DeFazio is a cosponsor of H.R. 2070, stand-alone legislation that includes the windfall profits tax provisions incorporated into DeFazio's own bill. DeFazio is also a cosponsor of H.R. 4263, windfall profits legislation that would direct the revenue to low-income heating assistance programs.

DeFazio fought the record high gas prices on a number of other fronts as well:

DeFazio joined dozens of colleagues in writing to Speaker Hastert on November 8, 2005, asking that he call oil company executives before Congress to testify on record high gas prices. The Senate held a hearing with oil company executives on November 9, 2005.

DeFazio wrote to Attorney General Gonzales and FTC Chairman Deborah Platt Majoras on September 7, 2005, urging an investigation into gas price spikes in the wake of Hurricane Katrina, including in regions of the country like the Northwest that are not a part of the distribution system along the Gulf Coast.

DeFazio also joined several colleagues in writing to the Chairwoman of the FTC, Deborah Platt Majoras, on October 3, 2005, asking that the FTC investigate the rising cost of credit card fees associated with gasoline purchases as a contributing factor to record high gas prices.

DeFazio joined several colleagues in writing to the House Energy and Commerce Committee and the House Agriculture Committee on September 16, 2005, urging an investigation into the role that manipulation by speculators in commodities markets is playing in record high gas prices.

DeFazio joined a bipartisan group of members in writing to the Government Accountability Office (GAO) on May 26, 2005, urging that the GAO investigate the Commodity Futures Trading Commission's ability to regulate commodities markets and the impact those markets might be having on record high gas prices.

□ In response to concerns that rules proposed by the Economic Development Administration would unduly restrict state and local economic development districts involvement in strategic planning and economic development activities, DeFazio joined a bipartisan group of more than 50 members of Congress in writing to the EDA on October 25, 2005, to protest the proposed regulations.

DeFazio is an original cosponsor of the Motor Vehicles Owner's Right to Repair Act (H.R. 2048), which has been endorsed by the National Federation of Independent Business (NFIB). This bipartisan legislation restores the right of consumers to have their vehicle serviced at a repair facility of their choice and to decide whether they would like their car fixed with original or aftermarket automobile parts. This bill helps smaller repair shops compete with dealer owned shops.

DeFazio is a cosponsor of H.R. 5699, the Patriot Corporation Reward Act, legislation to reward businesses who don't export jobs and who are good community members. The bill would provide preferential treatment for federal contracts and a 5% tax reduction for businesses that

(1) produce at least 90% of their goods and services in the U.S. (2) limit top management compensation to no greater than 10,000% that of their lowest compensated full-time workers (3) spend at least 50% of their R&D budget in the U.S. (4) operate a profit-sharing plan with employees (5) contribute at least 5% of payroll to a portable pension fund (6) pay at least 70% of the cost of health insurance plans (7) maintain neutrality in employee organizing drives and (8) comply with federal regulations on the environment, workplace safety, consumer protection, and labor relations.

In the 108th Congress (2003-2004):

DeFazio has voted against the President's budget requests to slash funding for the Small Business Administration (SBA). The President's FY02 and FY03 budgets proposed funding reductions for the SBA of 40 and 56 percent, respectively. This year, the President asked for \$700 million, a 10.4 percent cut from the previous year. The administration also proposed eliminating funding for: the SBA's most popular lending program, 7(a) loans, and reducing the maximum loan size; the Small Business Innovative Research Program technical assistance and the SBIR Federal and State Technology Partnership program (known as "FAST"); the New Market Venture Capital program; and the PRIME (Program for Investment in Microentrepreneurs) technical assistance.

DeFazio is a cosponsor of H.R. 3607, legislation to provide a refundable tax credit for small businesses to purchase health insurance for their employees. The credit equals 40-60 percent of the cost of insurance, depending on the size of the company.

He also supports H.R. 4356, the Small Business Health Insurance Promotion Act. Similar to H.R. 3607, this bill would make small businesses or self-employed individuals eligible for a 50 percent tax credit to defray the cost of health insurance. It would create state and national multi-insurer pools to provide comprehensive and affordable health insurance choices to small employers and the self-employed. To receive the tax credit, participating employers must offer all of their employees coverage through either the qualified state or national health insurance pools. These purchasing pools would ensure comprehensive and affordable health insurance. Participants would receive a choice of plans very similar to those available in the Federal Employees Health Benefit Plan (FEHBP).

DeFazio supports reducing taxes on small businesses. The first bill he introduced this session was an economic stimulus bill that included payroll tax relief for individuals and employers. My bill, H.R. 396, included an exemption for the first \$10,000 in wages from the Social Security payroll tax - both the employee and employer share. This would provide a tax cut for small businesses of \$620 for each employee earning at least \$10,000.

DeFazio is also a cosponsor of legislation introduced by Representative Hooley, H.R. 3608, which provides a \$5,000 tax credit for the creation of new jobs during the current recession.

DeFazio is a cosponsor of bipartisan legislation, H.R. 1769, the Job Protection Act, which would lower the corporate tax rate on businesses who manufacture in the United States.

DeFazio has been a leading opponent of President Bush's tax cut agenda, which, despite the administration's rhetoric, has favored large multinational corporations and wealthy individuals, not small businesses. In fact, the President's tax cuts have exacerbated the challenges faced by small that need access to adequate capital to operate and expand. For example, the President proposed eliminating taxation of dividends and lowering the tax on capital gains. Because these tax cuts make investments in corporations more attractive, small businesses (which don't generally pay dividends and offer lower gains to investors) will have to pay higher interest costs to attract increasingly scarce capital. Similarly, the President's tax cuts have led to the re-emergence of massive federal budget deficits. Budget deficits hurt small businesses. As the federal government becomes of very large borrower of private capital, the government attracts capital that would otherwise be available for private investment, including in small businesses. Government deficits raise interest rates and borrowing costs for small businesses.

□ DeFazio voted in favor of H.R. 205, the National Small Business Regulatory Assistance Act of 2003, which directs the SBA's Small Business Development Centers to serve as clearinghouses for confidential regulatory compliance assistance to small businesses. The bill is still awaiting action the Senate.

DeFazio worked to protect hundreds of jobs at the Hynix semiconductor plant in Eugene. Hynix has been under attack by a competitor, Micron. DeFazio coordinated letters from the Oregon delegation to the Department of Commerce in support of Hynix's position in the trade complaint filed by Micron. DeFazio also testified on behalf of the Hynix workers before the U.S. International Trade Commission on June 24, 2003. And, DeFazio introduced a resolution, H.Con.Res. 124, that highlighted the important role Hynix plays in the Oregon economy and urges the Secretary of Commerce to grant a fair hearing to Hynix in the trade case. DeFazio's bipartisan resolution was cosponsored by the entire Oregon House delegation.

Videx, a Corvallis-based manufacturer, reported to DeFazio that one of its product lines had been counterfeited by a Chinese company, which caused Videx's sales in China to drop from \$1.2 million a year to \$200,000. In response, DeFazio coordinated letters to the Secretary of Commerce and the U.S. Trade Representative that were signed by Representative Hooley and Senators Wyden and Smith urging the Administration to use every tool at its disposal, including bringing the situation to the attention of high-level Chinese officials and filing a complaint at the World Trade Organization against China for violating its intellectual property commitments. DeFazio continues to monitor this situation. To date, the Administration has raised this issue with counterparts in China, but has not been willing to go beyond words to actually file a trade complaint at the WTO.

DeFazio joined several colleagues in the Northwest in writing to Treasury Secretary Snow in February 2004 in support of an application by ShoreBank Pacific for \$30 million in New Markets Tax Credits. ShoreBank would use these credits to leverage investments, including business start-ups, expansions and stabilization in Lane, Douglas, Coos, and Curry counties in Oregon. ShoreBank was ultimately awarded \$8 million in credits for 2003-2004.

H.R. 4613, the fiscal year 2005 defense spending bill included \$2 million requested by DeFazio for a software program to more efficiently schedule U.S. Navy ship construction. DeFazio also secured \$2 million in fiscal year 2004 and \$1.5 million in 2003 for this program. The software, which was developed by On Time Systems, Inc. of Eugene, Oregon, could save the Navy \$200-500 million in annual construction costs. In addition, when the Navy and Electric Boat (one of the Navy's primary shipbuilders) did not comply with the direction from Congress on the testing of the software. DeFazio and Representative Norm Dicks intervened with the Navy on behalf of On-Time Systems, Inc. to ensure that congressional intent was fulfilled with a full-fledged test and evaluation of the software.

DeFazio also helped secure the first ever earmark for Hydration Technologies of Albany, Oregon. H.R. 4613 includes \$6.3 million to purchase personal water filtration devices produced by Hydration Technologies for the Army and Air Force. Water requirements constitute the single largest logistics challenge for the U.S. military. The Albany-based company has found a way to provide low-cost, safe, reliable, simple-to-operate technology to allow the individual soldier to produce drinkable fluids from available contaminated water sources.

DeFazio successfully fought for continued funding in H.R. 2673 for the Disability Exchange Clearinghouse. The Clearinghouse will receive \$500,000 in fiscal year 2004, which will be

administered by Mobility International (MI), which is based in Eugene. MI and the Disability Exchange Clearinghouse are an invaluable link in providing increased opportunities for people with disabilities, and also providing technical assistance to all international exchange programs sponsored by the State Department. MI has recognized DeFazio for his commitment to empowering people with disabilities throughout the world.

Federal agencies consistently fail to meet congressionally imposed goals for granting contracts to small businesses, a failure that has cost small businesses almost \$40 billion in lost contracting opportunities. DeFazio supports limiting contract bundling by federal agencies. Contract bundling combines several smaller contracts into a single, large contract that is too large for a small business to handle and bid on. In addition, DeFazio supported efforts during consideration of the President's spending packages for Iraq to open up the bidding process and increase transparency so small businesses can compete.

DeFazio voted in favor of legislation last year, H.R. 1829, which would block Federal Prison Industries, which uses prison labor, from being a mandatory source for government contracts. This will allow small businesses to compete for these contracts. The bill has not been acted on by the Senate.

DeFazio is an original cosponsor of the Motor Vehicles Owner's Right to Repair Act (H.R. 2735), which has been endorsed by the National Federation of Independent Business (NFIB). This legislation restores the right of consumers to have their vehicle serviced at a repair facility of their choice and to decide whether they would like their car fixed with original or aftermarket automobile parts.

In the 107th Congress (2001-2002):

DeFazio supports efforts to reduce the paperwork burden on small businesses. He voted in favor of H.R. 327 in 2002 (P.L. 107-198), the Small Business Paperwork Relief Act, which requires OMB to make resources available for small businesses with questions about regulatory compliance, requires each federal agency to establish a single point person to act as a liaison with small businesses, and requires each agency to reduce the paperwork burden on small businesses.

□ As the ranking Democrat on the House Subcommittee on Water Resources and the Environment, DeFazio was an original cosponsor of H.R. 1831, the Small Business Liability Protection Act, legislation to ensure prompt clean-up of abandoned industrial sites by providing limited liability relief for small businesses and others who dispose of small amounts of waste. This legislation will speed clean-ups of blighted areas by ensuring clean-up is not bogged down by disputes. H.R. 1831 was included in H.R. 2869, the Brownfields Revitalization Act, which was signed into law in January 11, 2002. DeFazio successfully fought for continued funding in H.R. 2500 and again in H.J.Res. 2 for the Disability Exchange Clearinghouse. The Clearinghouse is receiving \$500,000 in funding in both fiscal year 2002 and 2003, which will be administered by Mobility International (MI), which is based in Eugene.

The fiscal year 2003 DOD Appropriations bill also included \$1.5 million requested by DeFazio for a software program to more efficiently schedule U.S. Navy ship construction. The software program was developed by On Time Systems, Inc. of Eugene, Oregon.